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SUBJECT: Implementing a Comprehensive Counter-Narcotics Strategy

11. (U) Summary: Afghanistan produces 93% of the world's opium and heroin with 98% of poppy cultivation concentrated in just seven provinces in the south and southwest. Two-thirds of all opium in Afghanistan is grown in one province -- Helmand, with lesser but significant amounts produced in Farah, Kandahar and Uruzgan. The narcotics industry dominates Afghanistan's economy; it is the most significant source of funding for the insurgency, undercuts licit development, and undermines governance. Breaking the nexus is critical to our counter-insurgency (COIN) strategy of securing the population, connecting the government to the people, and transitioning to a licit, agro-based economy. In the context of an additional 20,000 U.S. troops flowing into the south, we are working closely with the United Kingdom and other partners to implement a civilian-military counter-narcotics (CN) campaign, with a prioritized effort along the Helmand and Arghandab river valleys. Our approach applies a new balance to the five pillars, placing added emphasis on alternative livelihoods and interdiction, maintaining the current level of focus on public information and justice sector reform, and "focusing" elimination/eradication in support of governance and alternative livelihoods. Underpinning our efforts is a more robust intelligence analysis of the narcotics network, enabled by the establishment of a CN Combined Joint Interagency Task Force. End Summary.

Narcotics: A Pervasive Drain on Our COIN Campaign  
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12. (U) Afghanistan produces 93% of the world's opium; with fully 88% of Afghanistan's output emanating from the RC/South area of operations. The narcotics industry has a chokehold on Afghanistan's other major industry agriculture. In many parts of the south, the people are dependent on poppy revenue, threatened by formidable narco-security forces, and beholden to the criminal networks that underpin the industry. Finished opiates are smuggled virtually unhindered across Afghanistan's borders and into the global market. Of the three-four billion dollars a year in revenue from Afghan narcotics, at least \$60-80 million is directed to the insurgency, roughly equal to the insurgency's annual operating expenses. Narcotics, the insurgency, and corrupt GIROA officials create a nexus driving instability undermining governance, rule of law, and development.

Comprehensive Five Pillar CN

## Approach Underpinned by Intelligence

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¶3. (SBU) Under the President's strategy to defeat Al-Qaeda and its supporters in Afghanistan and Pakistan, and with new guidance to de-emphasize eradication, re-emphasize interdiction and increase and integrate alternative agricultural livelihoods, we are developing a comprehensive multi-disciplinary, interagency operational plan to target the narco-insurgent nexus, secure the population, and enable the transition of millions of farmers from raising poppy to jobs in a licit, agro-based economy. Success will depend upon our ability to secure the population and to increase security and freedom of movement. Our campaign applies a new balance to the traditional five pillars, emphasizing and integrating alternative livelihoods and interdiction; maintaining the current high levels of focus on public information and justice sector reform; and focusing elimination/eradication in support of governance and alternative livelihoods. A critical underpinning of our strategy is more a more robust intelligence collection and analysis, and improved USG interagency ICT support for knowledge management, in order to indentify the nexus of narcotics, corruption, insurgent activity, and criminality. Such improvements should enable increasingly effective targeting (kinetic, diplomatic/political, interdiction/law enforcement).

## Synchronized Application of Capabilities

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¶4. (U) The CN campaign will synchronize all efforts based on anticipated stages of poppy cultivation, harvest, and processing/refinement for international sale. Alternative livelihood programs will be timed on the poppy cultivation cycle to attempt to affect farmers' decisions on what to plant. During the crop maintenance phase, eradication will be carefully targeted to reinforce Government of the Islamic Republic of Afghanistan (GIROA) alternative livelihood programs and rule of law. Interdiction and law enforcement operations will be timed to the later stages of processing when the opium and products are at their greatest value and farmers have already been compensated to have the greatest impact on the narco-industry's profitability while mitigating risks to popular support.

## A Mixed Partnership Bag

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¶5. (SBU) Over 17 nations have elements operating in southern Afghanistan, but our most critical partner in CN is the United Kingdom (the G8 lead partner for CN). The Canadians, constrained by policies set in Ottawa, have limited their CN support in Kandahar to alternative livelihoods and justice system capacity building. Reluctance to undertake interdiction or targeting is even stronger among other members. In April, ISAF released a fragmentary order on CN that built on the October 2008 North Atlantic Council decision that ISAF forces could target the narco-insurgent nexus. Over the coming months, particularly as our prioritized CN effort in Central Helmand is implemented and narcotic networks and cultivation spill over into other provinces, we will work to achieve greater unity of effort in CN with ISAF and bilateral partners. At the same time we will strengthen collaboration with host nation security and political authorities as well as engagement with civilian populations at both local and national levels.

## Rebalancing the Five Pillars

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¶6. (U) The alternative livelihoods pillar of our strategy seeks to provide greatly increased incentives for farmers to transition to cultivation, harvesting, and marketing of licit crops with competitive value in secure areas. Our sequenced approach to the transition will include immediate job/income alternatives, migration/remittances policies, agricultural extension programs, value-chain creation, increased access to regional and global markets, microfinance, subsidies/price supports/guaranteed purchase, land leasing, and completion of critical infrastructure enablers (e.g., roads, power, water management, airports, processing plants). Local and national deployment of USDA and USAID agricultural development specialists will be essential to success.

¶7. (U) The second pillar, interdiction, is conducted through both kinetic and non-kinetic operations (military, law enforcement, information, diplomatic, and financial) to deny the insurgents and the narcotics traffickers safe haven and funding. Successful interdiction and disruption of both primary networks (drug labs and bazaars) and secondary networks (chemists, Hawaladars, smugglers) affect incentives by driving up the cost of production and lowering the prices of unprocessed opium. Embassy Kabul's Treasury Attache will play an integral role in interdicting the international and domestic financial movements associated with the opium economy.

¶8. (SBU) The third pillar, public information, will continue to be a critical component of our strategy, along with the fourth pillar, justice sector reform. In particular, our strategy will focus on bringing high-level drug traffickers to justice through an expansion of GIROA CN and anti-corruption capability, law enforcement human capital, legal frameworks, and ministry capacities. Growing the capacity of private and official media, and influencing its content, will be critical to success. We

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will draw on extensive interagency expertise and resources in the media campaign.

¶9. (U) The fifth pillar, "focused eradication", will reinforce governance and affect drug profitability over time by targeting large cultivations and privileged individuals within pre-determined areas. Areas would be selected for "focused eradication" based on comprehensive governance plans (such as the Mangal Food Zone in Helmand) or in conjunction with intelligence-gathering operations that pinpoint the land interests of major drug figures and/or insurgents. Success would no longer be defined in terms of hectares eradicated but on the proportion of Afghan domestic income derived from the drug industry, particularly on a regional basis, and on the longer-term measurement of specific hectare use that is not returned to poppy cultivation.

The Lynchpin: Greater Understanding  
through Intelligence Analysis

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¶10. (SBU) Effectively identifying and financially targeting the nexus of narcotics, corruption, insurgent activity, and criminality require additional intelligence resources, a new process and structure for fusing intelligence, and targeting of interdiction, eradication and information operations, as well as agriculture development projects for alternative livelihoods. Building on lessons from Joint Interagency Task Forces in Miami, El Paso, and the Philippines, we will establish a Counter-Narcotics Combined Joint Interagency Task Force (CN CJITF) in Afghanistan. The mission of the CN CJITF is to conduct intelligence fusion to develop an understanding of the narcotics-insurgent-GIROA nexus,

inform policy development and enable improved operational coordination in order to fracture the nexus and break its hold on the people. This mission requires effective deployment of defense, law enforcement, finance, economic (especially agricultural) development, IM, diplomacy, and public communications. Truly a "whole of government approach," with meaningful resources of each of these tools.

¶11. (SBU) The CN CJIATF will act under the combined authority of CDR USFOR-A/ISAF and COM Embassy Kabul. It will be composed of three main elements: an intelligence cell, an operations cell, and an interagency coordination cell. The first, the intelligence cell, contains the standard intelligence capabilities (signals, human, and imagery), an all source intelligence element, law enforcement analysts, and threat finance experts. It brings all of these capabilities together to ensure unity of effort and understanding of the nexus. The second element is an operational cell that conducts planning, targeting, and mission synchronization with conventional military forces, special operations forces, CN interdiction units, and law enforcement units. The third element is the interagency coordination cell that synchronizes across critical players implementing the interdiction, governance, and alternative livelihoods components of our CN planning.

¶12. (SBU) The CN CJIATF will have as its scope all of Afghanistan, to include locations initially in Kabul, Kandahar and Jalalabad. The Executive Working Group, composed of senior officers under both COM and CDR USFOR-A authority, will be the high-level policy synchronization body overseeing implementation of the CN campaign.

The Goal: Separating Narcotics  
from the Insurgency and the People

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¶13. (U) The fragmentation of the narco-insurgent-corruption-criminality nexus and its separation from the people, combined with greatly increased availability of alternative, competitive, and licit economic opportunities, is the essential recipe to COIN in southern Afghanistan.

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